California Farmland Conservancy Program Focus on Farmland

Newsletter of the CFCP July 2002

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Welcome

Welcome to the California Farmland Conservancy Program's Focus on Farmland! The CFCP has become an established program since its inception in 1996, and now stands at an exciting point: having protected over 15,000 acres in about 30 easement projects (totaling approximately 50 individual easements) to date, the program has received funding from Proposition 12 (\$25 million) and considerable funding is likely to be allocated from Proposition 40 (final funding figure has not yet been defined). In addition, the federal Farmland Protection Program has been reauthorized to a level of at least \$700 million, of which California can expect to receive tens of millions of dollars in funding to match CFCP funding (see article below). There's a lot going on!

As CFCP activity grows, we recognize a need to stay closer in touch with you. That's what Focus on Farmland is all about! We hope to communicate with you regularly about recent developments in the CFCP world and the larger farmland conservation arena. We want to keep you aware of the latest innovations in agricultural conservation easement efforts from throughout the state. And we want to celebrate the great farmland protection projects the CFCP funds.

So let us know what you want to be informed about, ideas you have for topics we can cover, information we can provide. And our great CFCP staff -- Chuck, Catherine, Robert, Deniz and Deanna -- will do their best to keep you informed.

ERIK VINK

Assistant Director - Division of Land Resource Protection Department of Conservation

News:

Farmland Protection Program Update

The federal Farmland Protection Program (FPP) is administered by the Natural Resources Conservation Service, and is designed to support statewide and local efforts to protect important farmland resources from conversion to urban and other uses. While there are a number of distinct differences between the programs, the FPP is in many ways analogous to the CFCP in providing grant funding for the voluntary purchase of agricultural conservation easements on strategic farmland. Both programs were initiated in 1996 and have co-funded agricultural conservation easement projects ever since.

To date, funding under the FPP has been quite modest. From 1996 to 2001, a total of \$52 million in FPP funding was made available nationwide, with \$4.5 million of these funds being directed to agricultural land conservation projects in California. This funding has resulted in

conservation of nearly 1,800 acres on farms in Madera, Merced, Monterey, San Joaquin, San Luis Obispo, and Yolo Counties. These FPP funds have contributed an average of approximately one third of the appraised easement value on these projects, with other funding coming from the CFCP, private foundation funding, and bargain sales by landowners.

The passage of the 2002 Federal Farm Bill creates tremendous new funding opportunities for the FPP to participate in protecting important farmland resources. In federal fiscal year 2002, \$50 million in FPP funding is available. Substantially greater funding over the subsequent six fiscal years has also been allocated, as summarized in the accompanying table. The Farm Bill commits a minimum of \$694 million in FPP funding over this timeframe.

Farmland Protection Program – Nationwide Grant Funding Commitments

FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	TOTAL
\$50	\$100	\$125	\$125	\$100	\$97	\$97	\$694
million							

The California NRCS State Office is partnering with CFCP for the current federal fiscal year, which ends September 30, 2002, accepting CFCP grant applications as the application for FPP funding for proposals where CFCP funding was also requested. The CFCP received a number of strong applications by its deadline of June 21, and is forwarding applications to NRCS after the applications have been reviewed and ranked by CFCP criteria. The FPP will be ranking these proposals independently. Applicants who wish to pursue FPP funding but not CFCP funding may apply directly to the California NRCS office by July 15, 2002. The application details are available on the NRCS website below.

Please note that for projects funded through FPP, the easement will need to be reviewed and approved by the USDA Office of General Counsel before recording. The federal government will also need to have enforcement rights if the easement holder abandons, fails to enforce, or attempts to terminate the easement. In addition, properties will need to have a conservation plan, developed jointly by the NRCS and the property owners, with on-going NRCS access to the property for the purpose of monitoring the conservation plan.

For the latest information on the FPP, interested applicants are encouraged to access the NRCS website at http://www.nrcs.usda.gov/programs/farmbill/2002/fpprfp.html.

Project Updates:

Ducks Unlimited Closes on First Easement Project with CFCP Funding

In January, Ducks Unlimited, Inc. completed their first acquisition protecting agricultural lands within the Sutter Basin. A grant of \$1,025,500 from the California Farmland Conservancy Program provided funding for the easement acquisition and associated costs, with matching funding from the Packard Foundation. While the majority of CFCP funding typically goes to local land trusts, this project was a good opportunity for the CFCP to work with a large national nonprofit such as DU, which recently announced that it has conserved its ten-millionth acre of waterfowl habitat in North America.

The CFCP funding will help permanently protect two nearby properties totaling 983 acres of Prime Farmland and Farmland of Statewide Importance. Owned by Montna Farms, the properties are used for rice production, the predominant crop in the area. Located in the Central Valley between Sacramento International Airport and Yuba City on Highway 99, one of the parcels included a subdivision for the historic town site of Marcuse. Though the town was never built, the easement has now permanently retired the possibility of any future development.

As a leader in wetland and wildlife conservation, Ducks Unlimited was particularly interested in the habitat benefits inherent to the properties. Although CFCP-funded easements cannot restrict the types of crops that can be grown on a property, DU and CFCP staff worked together to tailor the CFCP requirements to also meet DU's goals. The easement includes preserving habitat for migrating waterfowl as a secondary purpose, and winter flooding is required by the easement to the extent that it does not conflict with the crops being grown on the property.

Reminder:

Monitoring Reports Due to CFCP June 30th

For organizations holding easements acquired with CFCP funding, annual monitoring reports were due June 30th. Reports can be in the format of a one-page letter. The letter should discuss the annual monitoring visit and specifically:

- Describe the method of monitoring
- Describe the condition of the property
- Note whether any violations were found during the reporting period
- Describe any corrective actions taken
- Explain the resolution of any violation
- Note if there has been any transfer of interest in the property

If you have not already done so, please send any required reports to: Deanna Dobrinen, CFCP/DLRP, Department of Conservation, 801 K Street MS 13-71, Sacramento, CA 95814.

Active Legislation: Senate Bill 1864 Update

During the course of administering a relatively new statewide program, it is common for a number of issues to arise that weren't contemplated during the original drafting of the legislation. Senate Bill 1864 (Costa) has been introduced in the current legislative session to address a number of needed legislative "fixes" that have been identified for the California Farmland Conservancy Program. For the most part these are enhancements or clarification of relatively minor ambiguities within the statute. Listed below is a summary of the principal proposed changes identified in SB 1864:

- Provides clarification of the grant process associated with grants for limited duration fee simple acquisitions authorized within the CFCP.
- Provides detail that policy/planning grants may be awarded for purposes including, but not limited to, development and evaluation of local or regional land conservation

strategies and potential agricultural conservation easement or fee title acquisition projects.

- Details match funding requirements for grants, and authorizes up to 50 percent of contributions to an agricultural conservation easement monitoring endowment to qualify as a component of a qualified grant match.
- Provides clarification of the requirement that appraisals must be approved by the Department of Conservation, and authorizes the Department to require or obtain an additional appraisal.
- Clarifies that the Department may conditionally approve grant applications prior to completion of final appraisals, provided an acceptable appraisal is submitted prior to disbursement of any grant funds.
- Provides clarification of the timing of required elements of a grant prior to grant funding disbursement, such as local government resolutions of support and notification of neighboring landowners of the property that is the subject of the conservation proposal.
- States that the granting of an agricultural conservation easement under the CFCP does not convey any rights of public access to the subject property.
- Clarifies that if an agricultural conservation easement is terminated, a non-profit
 organization may recoup costs associated with its contributions to the easement,
 including costs associated with ongoing easement monitoring and enforcement.

The complete text of SB 1864 can be accessed at www.leginfo.ca.gov

We hope you've found the Focus on Farmland useful and informative. Please contact us with any questions or ideas you have for future editions.

- Feel free to forward this email to other interested parties.
- To be added to future mailing lists, contact us at cfcp @consrv.ca.gov.
- If you wish to be removed from this mailing list, please reply to cfcp@consrv.ca.gov.

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